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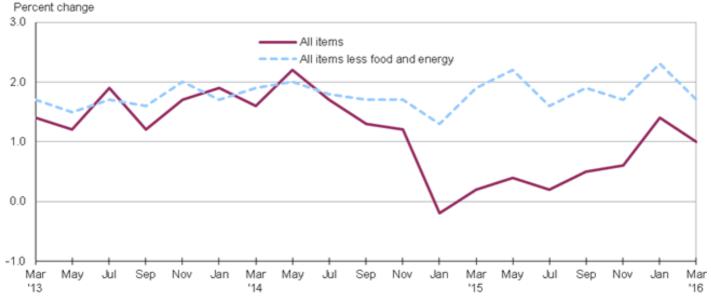
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Consumer Price Index, Washington-Baltimore – March 2016 Area prices up 0.6 percent since January and 1.0 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Washington-Baltimore increased 0.6 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted the rise was led by a 0.6-percent increase in the all items less food and energy index. The energy index and the food index also rose since January, up 1.0 and 0.3 percent, respectively. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U increased 1.0 percent, due largely to a 1.7-percent rise in the all items less food and energy index. (See <u>chart 1</u> and <u>table A</u>.) Since March 2015, the food index rose 1.3 percent, while the energy index fell 9.1 percent. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Washington, D.C., March 2013-March 2016



Source: U.S. Bureau of Labor Statistics.

Food

After declining 0.4 percent from November to January, the food index increased 0.3 percent over the last two

months. Prices for food away from home rose 0.6 percent over the last two months; those for food at home inched up 0.1 percent. Higher prices for cakes, cupcakes, and cookies; soups; and breakfast cereal contributed to the increase in the food at home index.

Food prices rose 1.3 percent over the year, as prices for both components also increased. Prices for food away from home advanced 2.1 percent and those for food at home increased 0.6 percent since last March.

Energy

Since January, the energy index, which includes prices for household and transportation fuels, rose 1.0 percent due to increases in both utility (piped) gas service and electricity prices, up 9.9 and 1.3 percent, respectively. Prices for gasoline declined 1.4 percent over the last two months.

Energy prices fell 9.1 percent over the year, led by a 20.9-percent drop in gasoline prices. Utility (piped) gas service prices also declined, dropping 12.6 percent, while electricity prices rose 6.3 percent since last March.

All items less food and energy

The index for all items less food and energy increased 0.6 percent since January. The increase was due largely to higher prices for shelter (0.9 percent) and apparel (4.4 percent). Moderating the increase in the all items less food and energy index were lower prices for education and communication (-0.7 percent) and household furnishings and operations (-1.1 percent) over the last two months.

Since March 2015, the index for all items less food and energy rose 1.7 percent. The increase was due largely to an over-the-year rise in shelter prices (2.3 percent), as the owners' equivalent rent of residences index was up 1.9 percent. Higher prices for medical care (3.9 percent) and education and communication (3.7 percent) also contributed to the rise. Lower prices for household furnishings and operations (-2.4 percent), among others, moderated the increase in the all items less food and energy index since last March.

Table A. Washington, D.C. CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

| | 2012 | | 2013 | | 2014 | | 2015 | | 2016 | |
|-----------|---------|----------|---------|----------|---------|----------|---------|----------|---------|----------|
| Month | 2-month | 12-month |
| January | 0.4 | 2.7 | 0.1 | 1.8 | 0.4 | 1.9 | -1.0 | -0.2 | -0.2 | 1.4 |
| March | 1.3 | 2.8 | 0.9 | 1.4 | 0.6 | 1.6 | 1.0 | 0.2 | 0.6 | 1.0 |
| May | 0.1 | 1.8 | -0.2 | 1.2 | 0.4 | 2.2 | 0.6 | 0.4 | | |
| July | -0.2 | 1.4 | 0.5 | 1.9 | 0.0 | 1.7 | -0.2 | 0.2 | | |
| September | 1.3 | 2.8 | 0.6 | 1.2 | 0.2 | 1.3 | 0.5 | 0.5 | | |
| November | -0.7 | 2.1 | -0.2 | 1.7 | -0.4 | 1.2 | -0.3 | 0.6 | | |

The Consumer Price Index for May 2016 is scheduled to be released on Thursday, June 16, 2016, at 8:30 a.m. (EDT).

Technical Note

The Consumer Price Index for Washington-Baltimore is published bi-monthly. The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Washington-Baltimore, D.C.-Md.-Va.-W.Va., Consolidated Metropolitan Statistical Area includes the District of Columbia; Baltimore City and the counties of Anne Arundel, Baltimore, Calvert, Carroll, Charles, Frederick, Harford, Howard, Montgomery, Prince George's, Queen Anne's, and Washington in Maryland; the cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park and the counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, King George, Loudoun, Prince William, Spotsylvania, Stafford, and Warren in Virginia; and the counties of Berkeley and Jefferson in West Virginia.

| Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339. |
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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Baltimore, D.C.-Md.-Va.-W.Va., (December 1997=100 unless otherwise noted) (not seasonally adjusted)

| | | Inde | exes | Percent change from | | | |
|---|--------------------|--------------|--------------|---------------------|--------------|--------------|--------------|
| Expenditure category | Historical data | Jan. 2016 | Feb. 2016 | Mar. 2016 | Mar. 2015 | Jan. 2016 | Feb. 2016 |
| All items ⁽¹⁾ | | 155.519 | | 156.493 | 1.0 | 0.6 | |
| Food and beverages (1) | | 156.080 | | 156.506 | 1.2 | 0.3 | |
| Food ⁽¹⁾ | | 157.432 | | 157.971 | 1.3 | 0.3 | |
| Food at home | | 147.966 | 148.193 | 148.146 | 0.6 | 0.1 | 0.0 |
| Food away from home ⁽²⁾ | | 166.771 | | 167.780 | 2.1 | 0.6 | |
| Alcoholic beverages (2) | · | 137.112 | | 135.989 | -0.2 | -0.8 | |
| Housing (1) | | 168.587 | | 169.966 | 1.9 | 0.8 | |
| Shelter | | 180.545 | 181.232 | 182.138 | 2.3 | 0.9 | 0.5 |
| Rent of primary residence (1)(3) | | 200.173 | 200.100 | 200.947 | 1.6 | 0.4 | 0.4 |
| Owners' equivalent rent of residences (3) (4) | | 180.808 | 181.081 | 181.501 | 1.9 | 0.4 | 0.2 |
| Owners' equivalent rent of primary residence | | 180.799 | 181.073 | 181.490 | 1.9 | 0.4 | 0.2 |
| Fuels and utilities | | 183.726 | | 187.463 | 2.4 | 2.0 | |
| Household energy | | 172.076 | 174.102 | 176.685 | 1.2 | 2.7 | 1.5 |
| Gas (piped) and electricity (3) | | 165.696 | 167.752 | 170.322 | 1.9 | 2.8 | 1.5 |
| Electricity (3) | | 181.515 | 182.987 | 183.905 | 6.3 | 1.3 | 0.5 |
| Utility (piped) gas service (3) | | 103.862 | 107.309 | 114.162 | -12.6 | 9.9 | 6.4 |
| Household furnishings and operations | | 88.203 | | 87.209 | -2.4 | -1.1 | |
| Apparel ⁽¹⁾ | - | 95.831 | | 100.029 | -1.1 | 4.4 | |
| Transportation (1) | | 135.458 | | 135.805 | -4.5 | 0.3 | |
| Private transportation | | 132.919 | | 133.611 | -4.4 | 0.5 | |
| Motor fuel | - | 166.830 | 154.640 | 164.492 | -21.0 | -1.4 | 6.4 |
| Gasoline (all types) | | 166.603 | 154.386 | 164.345 | -20.9 | -1.4 | 6.5 |
| Gasoline, unleaded regular (5) | | 163.625 | 150.680 | 161.480 | -22.2 | -1.3 | 7.2 |
| Gasoline, unleaded midgrade (5) | | 181.428 | 170.720 | 179.213 | -16.3 | -1.2 | 5.0 |

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Baltimore, D.C.-Md.-Va.-W.Va., (December 1997=100 unless otherwise noted) (not seasonally adjusted) - Continued

| | | Inde | xes | Percent change from | | | |
|---|--------------------|--------------|--------------|---------------------|--------------|--------------|--------------|
| Expenditure category | Historical data | Jan. 2016 | Feb. 2016 | Mar. 2016 | Mar. 2015 | Jan. 2016 | Feb. 2016 |
| Gasoline, unleaded premium (5) | | 188.259 | 178.829 | 185.272 | -15.5 | -1.6 | 3.6 |
| Medical care ⁽¹⁾ | | 182.506 | | 183.828 | 3.9 | 0.7 | |
| Recreation | | 118.290 | | 120.453 | 1.6 | 1.8 | |
| Education and communication | | 154.163 | | 153.058 | 3.7 | -0.7 | |
| Other goods and services ⁽¹⁾ | | 178.837 | | 177.702 | 0.5 | -0.6 | |
| Commodity and service group | | | | | | | |
| Commodities | | 124.144 | | 124.742 | -1.6 | 0.5 | |
| Commodities less food and beverages | | 106.728 | | 107.387 | -3.5 | 0.6 | |
| Nondurables less food and beverages | • | 131.027 | | 132.062 | -5.5 | 0.8 | |
| Durables | • | 79.989 | | 80.348 | -0.6 | 0.4 | |
| Services | | 176.669 | | 177.903 | 2.3 | 0.7 | |
| Special aggregate indexes | | | | | | | |
| All items less shelter | | 143.132 | | 143.825 | 0.2 | 0.5 | |
| All items less medical care (1) | | 153.797 | | 154.747 | 0.7 | 0.6 | |
| Commodities less food | | 108.118 | | 108.727 | -3.3 | 0.6 | |
| Nondurables | • | 143.376 | | 144.088 | -1.9 | 0.5 | |
| Nondurables less food | - | 131.603 | | 132.489 | -5.0 | 0.7 | |
| Services less rent of shelter | | 173.124 | | 173.962 | 2.2 | 0.5 | |
| Services less medical care services | | 176.053 | | 177.282 | 2.1 | 0.7 | |
| Energy ⁽¹⁾ | | 169.582 | 165.687 | 171.291 | -9.1 | 1.0 | 3.4 |
| All items less energy | | 153.228 | | 154.153 | 1.7 | 0.6 | |

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Baltimore, D.C.-Md.-Va.-W.Va., (December 1997=100 unless otherwise noted) (not seasonally adjusted) - Continued

| | | Inde | exes | Percent change from | | | |
|------------------------------------|--------------------|--------------|--------------|---------------------|--------------|--------------|--------------|
| Expenditure category | Historical data | Jan. 2016 | Feb. 2016 | Mar. 2016 | Mar. 2015 | Jan. 2016 | Feb. 2016 |
| All items less food and energy (1) | | 153.520 | | 154.506 | 1.7 | 0.6 | |

⁽¹⁾ Indexes on a November 1996=100 base.

Note: Index applies to a month as a whole, not to any specific date.

⁽²⁾ Indexes on a November 1997=100 base.

⁽³⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

⁽⁴⁾ This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

⁽⁵⁾ Special index based on a substantially smaller sample.